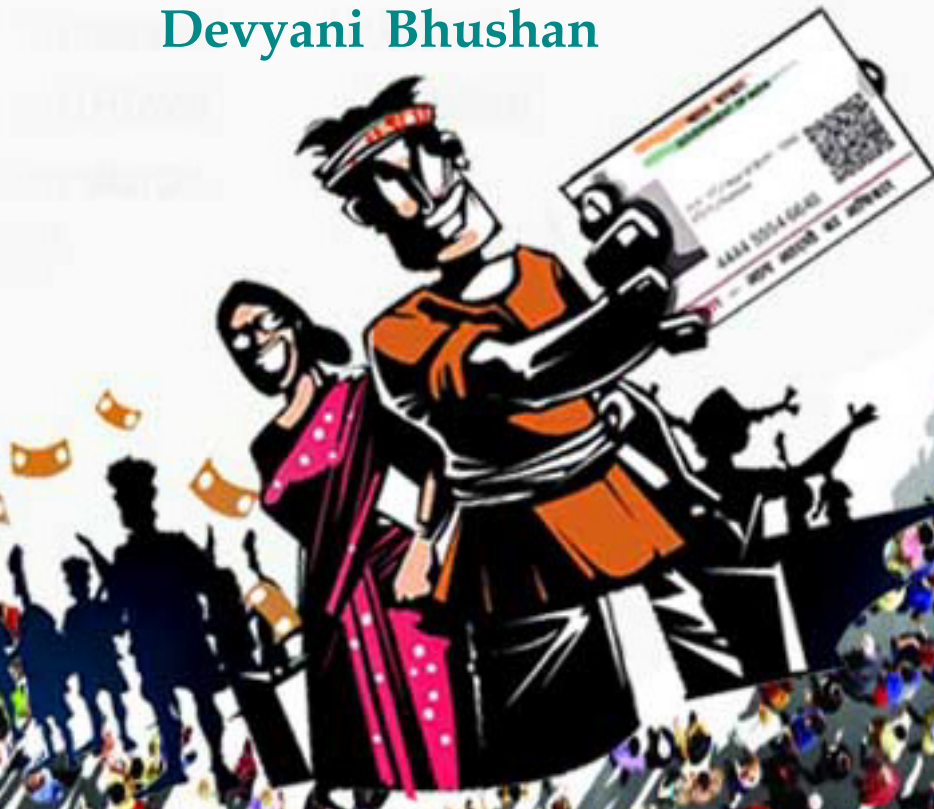


One Billion Aadhaars and Aadhaar Act 2016 - Ambitious Resetting of Subsidy Regime in India

By
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Foreword

The Congress party often criticises the NDA government of stealing its ideas, which reflects its distorted understanding of how parliamentary democracies work. The electorate does not want the baby to be thrown out with the water. So it is with policies. No government can begin work on a clean slate. But what an incoming government can, and should do, is to build on existing constructs, remove its infirmities and make them better. The Aadhar Act represents a classic case where the Modi sarkar has done just that.

As the article makes clear, the revised law that the NDA drafted is potentially a game changer since it would enable the poor to avail of a range of government schemes through the JAM platform by giving her a unique identity. Politically, in a society where equity is still an issue, giving the disadvantaged agency is a great enabler. Equally important it would free the government from trying to successfully run a dual-pricing regime in LPG, Kerosene, fertiliser etc. Dual prices not only distort markets but are prone to massive corruption and elite-capture. It is infinitely better to transfer the equivalent amount of subsidy directly to the beneficiary who then is no more reliant on the goodwill, purchased at a price, of the dealer. It is this comprehensive approach to Aadhar that was missing in the UPA formulation, though from public statement it was clear that they were aware about such potentialities but were afraid to take-on vested interests and rigid mind-sets.

The earlier concerns about privacy, important as they are, have been very substantially addressed. National security is the only reason where personal data including biometric can be accessed after following due process. And the law lays down rigorous penalty for mischief. This was missing earlier. No system can be fail-safe and while perfection is the ideal, it is often a mirage. A reasonably robust architecture that takes care of identifiable risks can deliver better and faster. The Aadhar Act passes this test with flying colours.

19 May 2016,

New Delhi

Shakti Sinha

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Executive Summary

This paper seeks to examine the rationale behind the “The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 as well as its main features. It also compares the Aadhaar Act 2016 with a bill introduced by the United Progressive Alliance Government in Parliament in December 2010. The paper argues that not only is the present Act a qualitative improvement over the UPA Bill but is also a key element of the National Democratic Alliance (NDA) Government’s ambitious agenda of resetting the subsidy regime by making the Aadhaar Act as well as Aadhaar enabled Direct Benefit Transfer (DBT), an instrument of good governance and a transparent mechanism to disburse subsidies/benefits of Government schemes to the poor, deprived and needy population by eliminating the middle men as well as fraudulent beneficiaries.

The paper also seeks to examine the criticism of the Aadhaar Act 2016 on the grounds of individual’s right to privacy, preventing the use of Aadhaar being made mandatory as well as the mode of introduction of Aadhaar Act in the Lok Sabha as a money bill.

One Billion Aadhaars and Aadhaar Act 2016 - Ambitious Resetting of Subsidy Regime in India

Context

“The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Bill, 2016 was introduced by Mr. Arun Jaitley, Minister of Finance, in Lok Sabha on March 3rd 2016. The Lok Sabha passed the Aadhaar Act on 16th March 2016. The President of India has also given his assent to the Act. The Central Government though is yet to notify the Act.

On 4th April 2016, Mr. Ravi Shankar Prasad, Minister for Communication and IT announced another landmark achievement. He declared that the Unique Identification Authority of India (UIDAI) has generated one billion Aadhaar numbers. While making this announcement, the Minister also expressed the hope that Aadhaar will not only give a boost to the Government’s initiative to affect a systematic change in the delivery of subsidy and benefits to the masses but would also become an instrument for good governance to reach the poor and needy without the middle men. Both these developments have to be seen as an integral part of National Democratic Alliance (NDA) Government’s strategy to radically alter and substantially reset the subsidy regime in India by trying to plug leakages and put in place a really effective welfare State mechanism. This strategy of the NDA Government received a further boost when the Cabinet Secretariat, under which the DBT Mission functions, in May 2016, directed “All ministries and departments of the Government to examine various programmes and schemes implemented by them or their attached offices, public sector undertakings, autonomous organisations and implementing agencies in the light of the expanded scope of DBT.” The aim of the Government is to explore all Government services and delivery schemes which could be brought under the ambit of Aadhaar based direct benefit transfers. This strategy will not only plug the leakages in Government Schemes and help save huge Government resources but would also be a politically crucial decision ensuring that crores of poor and deprived citizens actually receive their dues.

Aadhaar: The Game Changer

All though the concept of Aadhaar was introduced in January 2009 during the United Progressive Alliance (UPA) Government, but it progressed at a less than satisfactory pace. Aadhaar's potential as a means to ensure direct and targeted transfer of financial benefits to the poor beneficiaries was never fully exploited by the UPA Government. It is with the coming into power of the NDA Government that Aadhaar along with a set of other innovative measures i.e. JAM (Jan Dhan Bank Accounts, Aadhaar and Mobile based interventions) have become the main pillar of the implementation of Government subsidy and financial benefit schemes like- PDS, PAHAL (Crediting of LPG Subsidy directly in Bank Accounts of beneficiary), Pensions and MGNERGA (Payment of Wages directly into the Bank Accounts of Beneficiary). What this means in simple terms is this: Aadhaar is a unique number linked to an individual's biometrics (fingerprints and iris data) and hence no one else can pretend to be the person receiving benefits, and therefore cannot defraud the system or the actual beneficiary. Thus technology through Aadhaar can play a major role in decreasing corruption in the delivery of Social Sector Schemes by facilitating direct income transfers in the bank account of the genuine beneficiaries. This happens because the bank accounts of the genuine beneficiaries have been linked with their Aadhaar numbers. The present NDA Government has not only realized this virtue of the technology behind Aadhaar but has also stressed its extended coverage.

Because of this renewed focus and constant monitoring by the present Government, Aadhaar coverage now is at 93 percent among people above the age of 18 (as per projected population figures of 2015). As on date, in thirteen states and union territories (UTs) Aadhaar saturation has crossed 90 percent, while in thirteen other States and UTs it is between 75-90 percent.¹

The Aadhaar achievements in the last two years have been exceptional. Today not only more than 100 crore people have Aadhaar 93% of adults, 67% of children between the age 5-18 years and 20% of children between the age 0-5 years have Aadhaar numbers. Every day more than 5-7 lakhs people get enrolled for Aadhaar. Aadhaar is now the largest online digital identity platform in the world.

According to Ravi Shankar Prasad, Minister for Communications and IT, Aadhaar has had a transformational financial impact on various Social Sector Schemes. The Minister said that the adoption of "the direct benefit transfer for liquefied petroleum gas (LPG) scheme led to savings worth ~14,672 crore for

the government. Under the public distribution system (PDS), the estimated savings are ~2,346 crore across Andhra Pradesh, Telangana, Puducherry and Delhi.”²

The ever expanding Aadhaar usage can be fully appreciated through the following figures:-³

- ▶▶ 25.48 cr. Bank accounts linked with unique Aadhaar
- ▶▶ Over 12.28 cr (71%) LPG connections linked with Aadhaar
- ▶▶ Over 11.39 crore (45%) ration cards linked with Aadhaar
- ▶▶ Over 5.90 cr. (60%) NREGA Cards linked with Aadhaar

During the release of the “World Development Report 2016- Digital Dividends” the World Bank appreciated the Aadhaar intervention and said “India is on track to register its entire 1.25 Billion population using its Aadhaar digital ID. It would help the Government to promote the inclusion of disadvantaged groups in its welfare schemes”. “Technology can be transformational. A digital identification system such as India’s Aadhaar, by overcoming complex information problems, helps willing Governments to promote the inclusion of disadvantaged groups”, the World Bank said in its “World Development Report 2016”.⁴

Rationale behind Aadhaar Act, 2016

The UPA Government, in the last 5 years of its tenure (2009-2014) could not provide legal validity and legal teeth to Aadhaar which remained limited to merely assigning a unique identity to the residents of India, on a voluntary basis. The Aadhaar Act, 2016 on the other hand intends to provide for targeted delivery of subsidies, benefits and services to individuals residing in India, from the Consolidated Fund of India, by assigning them unique identity numbers, called Aadhaar numbers. Thus the Act removes the ambiguity and the legal uncertainty that surrounded Aadhaar so far.

The Economic Survey 2016⁵, forcefully argues that the Government must establish a Union of Pradhan Mantri Jan Dhan Yojana, Aadhaar and Mobile Numbers, in order to ensure that the benefits of Government subsidies reach the intended beneficiaries, popularly termed -JAM. The Survey further points out that linking an Aadhaar number of the beneficiary to his or her active bank account will be crucial in implementing direct income transfers to the poor and deprived beneficiaries while preventing leakages of Government money. This must have prompted the Union Government to think in terms of providing a statutory basis to Aadhaar.

The Supreme Court of India in *K.S Putta Swamy V/s Union of India and Others* (2014) 6 Supreme Court Cases 433, has been examining the issue of right to privacy and constitutional guarantees if any, regarding this right in the Constitution of India, particularly in the context of privacy aspects of Aadhaar Card. In the said case, the Supreme Court of India, on 11 August 2015 observed, “the Unique Identification Number or the Aadhaar card will not be used by the respondents for any purpose other than the PDS Scheme and in particular for the purpose of distribution of food grains etc and cooking fuel, such as kerosene. The Aadhaar card may also be used for the purpose of the LPG Distribution Scheme”. While hearing the same case on 15 October 2015, the Supreme Court included some additional schemes apart from the earlier two schemes i.e. PDS Scheme and the LPG Distribution Scheme to the ambit of Aadhaar card. The additional schemes permitted by the Supreme Court to be linked to Aadhaar card are- Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), National Social Assistance Programme (Old Age Pensions, Widow Pensions, Disability Pensions), Prime Ministers Jan Dhan Yojana (PMJDY) and Employees Provident Fund Organisation (EPFO).⁶ This case is still pending for final disposal before the honourable Supreme Court of India.

In this context, the need and rationale for the Aadhaar Act, 2016, has to be seen in the light of *Article 21* of the Constitution of India. *Article 21* reads thus: “No person shall be deprived of his life or personal liberty except according to procedure established by law.” In the case of *K.S Putta Swamy V/s Union of India and Others*, while it has been argued on behalf of the Union of India that the legal position regarding the existence of the Fundamental Right to privacy in the Constitution of India is doubtful, however the petitioners have argued that Right to Privacy has been accepted as a Fundamental Right under *Article 21* in the “*Kharak Singh v/s State of UP, AIR 1963 SC 1295 (1963) 2 Cri LJ 329 (decided by 6 judges)*”, by the Supreme Court and that making use of Aadhaar to transfer subsidy and financial benefits violates the privacy of the individual.

The Aadhaar Act, 2016, provides statutory backing to the collection of individual biometric data and its integration in the form of Aadhaar cards. As a result of this act, the UIDAI (the implementing agency for enrolment of people, collecting their biometric data and giving them Aadhaar cards), which was set up by the UPA- 2 Government, through an executive Order would now be given statutory status. This will be in harmony with *Article 21* of the Constitution (if the honourable Supreme Court eventually holds that the “Right to Life and Liberty” also includes Right to Privacy), as there is now a law which

allows for “infringement” of privacy, in certain specific instances, accordingly to a legally established procedure.

The Aadhaar Act, 2016 would also permit the Government to introduce new schemes, particularly individual beneficiary oriented schemes, linked to Aadhaar (such as Digital Locker, Jeevan Praman etc), particularly after the two Supreme Court rulings, detailed above, of 2015 restricting the use of Aadhaar only to PDS, LPG, MGNREGS, Pensions, PMJDY and Provident Fund Schemes.

The Aadhaar Act, 2016, has specific provisions regarding notice, consent and purpose limitations which bring in clarity on the legal rights and conditions on information sharing as well as specific penal provisions. This would go a long way in assisting courts to adjudicate any issue arising out of information leakages or unauthorised information sharing. Therefore Aadhaar Act, 2016, would not only plug legal loopholes but would also provide added protection against potential violation of privacy.

Aadhaar as Money Bill

The NDA Government introduced the Aadhaar Bill, 2016 as a Money Bill in the Lok Sabha.

Under Article 110 (1) of the Constitution, a bill is deemed to be a Money Bill if it only contains provisions related to taxation, borrowing of money by the Government, expenditure from or receipt to the Consolidated Fund of India. Bills that only contain provisions that are incidental to these matters would also be regarded as Money Bill.⁷ Under Article 110(4) a Money Bill can be introduced only in Lok Sabha. If any question arises whether a Bill is a Money Bill or not, the decision of Speaker thereon is final.

The decision of the NDA Government to introduce the Aadhaar Bill as a Money Bill in Lok Sabha attracted sharp criticism mainly from the Congress and the Left Parties. They portrayed it as a strategy by the BJP led NDA Government to avoid a defeat of this legislation in Rajya Sabha, where they do not have a majority. It is to be noted that the Rajya Sabha recommendations on a Money bill are non-binding and Lok Sabha can reject them. As per the Constitution, the Rajya Sabha may recommend amendments to the Money Bill and return it to Lok Sabha within 14 days from the date of receipt. The Lok Sabha is then free to accept or reject these recommendations. If the Lok Sabha chooses to not accept the recommendations suggested by the Rajya Sabha, the

money bill would be deemed to have been passed in the form it was originally passed by the Lok Sabha. In the case of Aadhaar Act, 2016, the Lok Sabha after due deliberation decided to not accept the amendments, suggested by the Rajya Sabha.

The entire criticism of the Government on the Money Bill issue is not only superficial but is a red herring meant to mislead the debate away from the merits of the act. The focus of the Aadhaar Act, 2016, as well as its sole statutory purpose is entirely on the usage of Government money belonging to the Consolidated Fund of India, for targeted disbursement of subsidies. Hence it does fall in the category of a Money Bill. In any case, as per the Constitution, the final call on the categorisation of the said Bill as Money Bill was taken by the Speaker of Lok Sabha, and that decision must be respected. One interesting and positive fall out of this issue was that for the first time in the last 2 years, the House of Elders actually performed its prescribed function of conducting a lively and dignified legislative debate on the Aadhaar Act, rather than indulging in undignified slogan shouting and disruptions!

Summary of the Aadhaar Act, 2016

The Aadhaar (Targeted Delivery of the Financial and Other Subsidies, Benefits and Services) Act, 2016, provides that:-⁸

- ▶▶ Every resident shall be entitled to obtain an Aadhaar number. A resident is a person who has resided in India for 182 days, in the one year preceding the date of application for enrolment for Aadhaar.
- ▶▶ To obtain an Aadhaar number, an individual has to submit his, (i) biometric data (photograph, finger print, iris scan) and (ii) demographic data (name, date of birth, address). The Unique Identification Authority (UID) may specify other biometric and demographic data/ information to be collected, by issuing regulations.
- ▶▶ At the time of enrolment, the individual will be informed of, (i) the manner in which the information will be used, (ii) the nature of recipients with whom the information will be shared, and (iii) the right to access this information. After verification of information provided by a person, an Aadhaar number will be issued to him.
- ▶▶ To verify the identity of a person receiving a subsidy or a service, the Government may require them to have an Aadhaar number. If a person does not have an Aadhaar number, Government will require them to

apply for it, and in the meanwhile, provide an alternative means of identification. Any public or private entity can accept the Aadhaar number as a proof of identity of the Aadhaar number holder, for any purpose. Aadhaar number cannot be a proof of citizenship or domicile (Hence it is clear that the Government does not intend either to make Aadhaar mandatory or make Aadhaar a proof of citizenship), therefore criticism of the act, on this account is completely misplaced.

- ▶▶ The key functions of the UID authority include, (i) specifying demographic and biometric information to be collected during enrolment, (ii) assigning Aadhaar numbers to individuals, (iii) authenticating Aadhaar numbers, and (iv) specifying the usage of Aadhaar numbers for delivery of subsidies and services. The UID authority will consist of a chairperson, two part-time members and a chief executive officer.
- ▶▶ The UID authority will authenticate the Aadhaar number of an individual, if an entity makes such a request. A requesting entity (an agency or person that wants to authenticate information of a person) has to obtain the consent of an individual before collecting his information. The agency can use the disclosed information only for purposes for which the individual has given consent.
- ▶▶ Biometric information such as an individual's finger print, iris scan and other biological attributes (specified by regulations) will be used only for Aadhaar enrolment and authentication, and for no other purpose. Such information will not be shared with anyone, nor will it be displayed publicly, except for purposes specified by regulations.
- ▶▶ The Act provides that only in two specific cases, information may be revealed:
 - ▶ In the interest of national security, a Joint Secretary in the central government may issue a direction for revealing, (i) Aadhaar number, (ii) biometric information (iris scan, finger print and other biological attributes specified by regulations), (iii) demographic information, and (iv) photograph. Such a decision will be reviewed by an Oversight Committee (comprising Cabinet Secretary, Secretaries of Legal Affairs and Electronics and Information Technology) and will be valid for three months, which may be extended for a further three months after review by the Oversight Committee

- ▶ On the order of a court, (i) an individual's Aadhaar number, (ii) photograph, and (iii) demographic information, may be revealed.
- ▶▶ A person may be punished with imprisonment upto three years and minimum fine of Rs 10 lakh for unauthorised access to the centralized data-base, including revealing any information stored in it. If a requesting entity and an enrolling agency fail to comply with rules, they shall be punished with imprisonment upto one year or a fine upto Rs 10,000 or Rs one lakh (in case of a company), or with both. No court shall take cognizance of any offence except on a complaint made by the UID authority or a person authorised by it.

The Aadhaar Act, 2016: A qualitative Improvement over 2010 Bill

In 2010 a bill was introduced by the UPA- 2 Government, to provide legislative backing to the UIDI Authority. (The 2010 Bill was withdrawn from Rajya Sabha on 3rd March 2016). The Aadhaar (Targeted Delivery of the Financial and Other Subsidies, Benefits and Services) Bill, 2016, introduced in Lok Sabha on 3rd March 2016, not only marks a radical departure from 2010 Bill of UPA-2 but is also a qualitative improvement over it.

Aadhaar Act, 2016 in Clause 7 and 57, links Government Subsidy or Service to Aadhaar and also provides for the responsibility of the Government to offer an alternative means of identification to those persons who have applied for an Aadhaar number but have not been assigned solely one. (This is to ensure that no eligible person is deprived of Government Subsidy, Benefits on the grounds of not possessing an Aadhaar number). There was no such provision in the 2010 Bill.

Aadhaar Act, 2016 in Clause 3(2), Clause 8(2), (3) clearly specifies the information that would be provided to the individual at the time of enrolment as well as the process by which a requesting entity would obtain the consent of an individual before collecting his identity information or authentication. This aspect was ignored in the 2010 Bill.

Aadhaar Act, 2016 provides clear cut restrictions on sharing of individual's information captured under Aadhaar number (Clause 21 (1), (4) and Clause 8). It also provides that the agency requesting authenticating of an individual's identity may use the disclosed information only for purposes for which the individual has given consent. These are provisions specifically designed to protect privacy. There were no such provisions in the 2010 Bill.

Aadhaar Act, 2016 also provides for far stringent penalties in case of offences than the 2010 Bill. While the 2010 Bill did have provision of offences and penalties, the 2016 Act, however, under Clause 41 specifically provides that if a requesting entity uses identity information for any purpose other than authentication, and an enrolling agency fails to comply with its rules, they shall be punishable with imprisonment extendable to 1 year or a fine extending from Rs 10,000 to Rs 1,00,000 (in case of a Company) or both. No such provision existed in 2010 Bill.

Hence it is clear that The Aadhaar (Targeted Delivery of the Financial and Other Subsidies, Benefits and Services) Act, 2016, is a distinct improvement over the UPA -2 Bill.

Aadhaar Act, 2016: Unwarranted Criticisms

The Aadhaar Act, 2016, has been criticised mainly on issues relating to potential violation of privacy and protection of biometric data. The critics have raised an alarm that “the national security” exceptions provided in the Aadhaar Act, are too broad and would negate the protections provided in the Act. On closer scrutiny however it would appear that there perhaps do not exist sufficient grounds to warrant such criticisms.

The Act has specific clauses that provide protection to the biometric information of the individuals as well as lay down the process and the precaution to be exercised while sharing this information. For Example the act provides that all biometric information will be an electronic record and will be classified as “sensitive personal data or information” as per the provision of the Information Technology Act, 2008.⁹

The Aadhaar Act has provisions vide which institutions, after paying a fee, can authenticate the identity of a person. But for this the prior consent of the Aadhaar number holder has been made mandatory, in the act. In addition the act also directs UIDAI to have sufficient security of identity information and authentication records of individuals. As per the provisions of the act, UIDAI has to ensure that agencies, consultants and its employees are bound by confidentiality and do not leak any information. The act also provides for penalties, in cases of impersonation, unauthorised access and tampering of data in the Central Identities Data Repository, that stores all such information.

It is a fact that the Aadhaar Act, 2016, does provide an exception that the Government has the right to use and access biometric information, of

individuals, “in the interest of national security”. The act however also provides three protections in this regard. Firstly this can be done only in pursuance of the direction of an officer not below the rank of Joint Secretary to the Government of India specially authorised in this behalf by an order of the Central Government. The act also provides a second protection in the form that every direction issued under this sub-section, shall be reviewed by an Oversight Committee consisting of the Cabinet Secretary and the Secretaries to the Government of India in the Department of Legal Affairs and the Department of Electronics and Information Technology, before it takes effect. The act provides a third protection that any direction issued under this sub-section shall be valid for a period of three months from the date of its issue, which may be extended for a further period of three months after the review by the Oversight Committee.

While analysing the debate on the issue of national security, in respect of Aadhaar Act, 2016, Mr. Arun Jaitley, Union Finance Minister, in his blog post dated 18th March 2015, had the following to say, “The ground of “National Security” as the only ground on which the Competent Authority can share information is common to both the 2010 and 2016 laws. National Security is a well defined concept. The phrase exists in several legislations and also finds indirect reference in the Constitution in Article 19(2). National security has always been held to be an exception on account of larger public interest, wherein individual’s rights give way to larger public interest. This principle is followed in most advanced liberal democracies. For example, in United Kingdom, Section 28 of Personal Data Protection Act, 1998 provides that personal data are exempt from the data protection principles on grounds of safeguarding National Security. The Congress, using its superior numbers in the Rajya Sabha, forced an amendment to replace the words “National Security” with the words “Public Emergency or in the interest of public safety”. None of these two phrases are well defined. They are vague and can be elastic. It is also not clear as to how Aadhaar information would have been used in dealing with situations of public emergency or public safety. Certainly, they would have provided a scope much wider for encroaching upon privacy than the words “National Security” which existed in both the 2010 and 2016 law, and would have potentially become the grounds for constitutional challenge at a later date”.¹⁰

Thus it is clear, that the Aadhaar Act, clearly stipulates that core biometric information shall not be shared for any purpose (Section 29 of the Act). For demographic data that can be shared, the act has provided strong safeguards.

It can only be used for the purposes that the individual gives prior consent to and only with such persons as is indicated beforehand. Most legal experts have agreed that the Aadhaar Act has very strong privacy protection provisions including extensive provisions of purpose limitation. Therefore the fears, expressed by the critics of the act, that it would provide far reaching powers to the Government to play “Big Brother”, are largely unfounded and unwarranted. The Government and UIDAI must be provided a fair chance to implement this path breaking initiative, before levelling such criticisms.

Conclusion

The National Institute of Public Finance and Policy (NIPFP), in its Cost Benefit Analysis of Aadhaar has examined the potential use of Aadhaar in seven major subsidies and financial benefit based schemes like - public distribution system (PDS), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), school education (including teacher salaries, mid-day meals, textbooks and uniforms), fertiliser subsidy, liquefied petroleum gas (LPG) subsidy, Rural Housing, and payments in other schemes like pensions and beneficiary oriented schemes of Health Care (Jan Suraksha Yojana, AASHA Workers etc). This analysis estimates that linking these programmes to Aadhaar will lead to a “saving” of Rs 1 lakh crore over 10 years. The NIPFP report emphasises that leakages in these programmes can be substantially addressed by linking them with Aadhaar. For example “bogus” beneficiaries, ghosts (e.g. a dead person whose name remains on government records) and duplicates (one person getting benefit twice), can easily be weeded out if the individual beneficiary data is linked with the Aadhaar number and the Aadhaar number in turn is linked to the bank account of the beneficiary. The NIPFP report claims that by 2015-16 the benefits of the project will surpass the costs, and by 2020-2021, the total benefit would be Rs 25,100 crores against the total expenditure of Rs 4,835 crores. The benefits would largely accrue from plugging of leakages in the aforementioned subsidy and financial benefits based schemes.¹¹

The Aadhaar Act, 2016, is therefore a radical and progressive socio-financial legislation. The act would enable the Government not only to ensure targeted delivery of its major schemes but would also strengthen the base of the Indian Welfare State. This legislation would not only remove the leakages in the implementation of Government Schemes but would deliver benefits to those who were identity less and excluded from accessing the income/ subsidy provided under Government Programmes. In the final analysis the Aadhaar

Act, 2016 uses technology to improve the material life of the vast sections of India's deprived and poor masses while respecting their right of privacy.

(The author is a Research Scholar with interests in areas of policy, governance, programme implementations, infrastructural issues and has written papers for and has worked with a number of leading think tanks on various issues in these areas. She is currently working on projects at SPMRF besides continuing with her writings and research)

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(The views expressed & the data compared in this paper are the author's responsibility)

(Footnotes)

1. <http://pib.nic.in/newsite/PrintRelease.aspx?relid=138555>
2. http://www.business-standard.com/article/current-affairs/aadhaar-crosses-1-billion-mark-says-prasad-116040401147_1.html
3. <https://uidai.gov.in/>
4. http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2016/01/13/090224b08405ea05/2_0/Rendered/PDF/World0developm0000digital0dividends.pdf
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6. http://supremecourtfindia.nic.in/FileServer/2015-10-16_1444976434.pdf
7. http://164.100.47.132/LssNew/abstract/money_bills.htm
8. <http://www.prsindia.org/billtrack/the-aadhaar-targeted-delivery-of-financial-and-other-subsidies-benefits-and-services-bill-2016-4202/>
9. Section 43A, of the IT Act 2008 relating to Compensation for failure to protect data provides- "Where a body corporate, possessing, dealing or handling any sensitive personal data or information in a computer resource which it owns, controls or operates, is negligent in implementing and maintaining reasonable security practices and procedures and thereby causes wrongful loss or wrongful gain to any person, such body corporate shall be liable to pay damages by way of compensation, not exceeding five crore rupees, to the person so affected". In this Section, "sensitive personal data or information" means such personal information as may be prescribed by the Central Government in consultation with such professional bodies or associations as it may deem fit.
10. <https://www.facebook.com/Arunjaitley/posts/462523667269520>
11. http://macrofinance.nipfp.org.in/PDF/A_CostBenefit_Analysis_of_UID.pdf

A large crowd of people, seen from an overhead perspective, forms a thick border around a central white area. The people are dressed in a variety of colorful clothing, creating a vibrant, multi-colored ring. In the center of this white area, the number '100' is formed by a dense arrangement of people standing in the shape of the digits. The '1' is a vertical line, the '0' is a circle, and the second '0' is a larger circle. The overall effect is a massive human sculpture of the number 100.

100

100 CRORE

Aadhaar is now the identity of
100 crore residents of India